

Mr. Speaker, last night, President Obama said that in this time of economic insecurity, America must avoid the possibility of protectionism. My friends, where are the fearsome red-herring protectionists?

We all believe in free trade so long as it is fair trade, and I believe most of all in free trade among free people. Our Nation boasts the most open markets in the world, but one must recognize that America hasn't had a balanced trade account since 1975, yes, 1975.

That's 34 years of regression on the jobs and trade front, 34 years of wandering in the wilderness, 34 years of deluges of imports dwarfing our exports, 34 years of outsourcing our good jobs by the millions. Thousands of America's best companies have been sacrificed, Maytag, Trico, Playtex, Levis, Zenith, Georgia-Pacific, Champion Spark Plug. The list is endless.

Now we are watching major segments of our banking system disintegrate while we buy foreign televisions, foreign clothing, foreign automobiles, foreign food, all while our beautiful Nation begs China, undemocratic China, for money.

It's pretty clear we need to focus on our trade deficits as a causal factor in our other deficits. The human and economic tragedies continue to mount. The massive hemorrhage of U.S. wealth instructs us in its raw truth. So-called free trade agreements began in 1975. Back then we had a surplus of \$12.4 billion in goods with the world. We have now sunk in 2008 to \$677 billion in trade deficit, three-quarters of a trillion dollars, and all the lost jobs that go with it just disappear.

The evidence is all around us. Americans are working harder each year, increasing their productivity but then seeing no increased wages. More lost purchasing power, the dollar isn't worth as much. Their health and pension benefits, disappearing. This is not a recipe for a healthy economy, a strong nation or a middle class.

The challenge is trade is not a zero sum game. Other nations don't play by the same rules. Other nations manage their markets. Other nations manipulate their currency. Other nations aren't democratic and they have no rule of law.

Let's look at the raw facts, as ignoring our trade deficits won't help our Nation crawl out of our deep economic hole. Let's stop digging and start crawling out.

When you focus over a quarter of a century on more outsourcing of jobs and importing goods than on exporting goods and creating jobs here, our country ends up indebted and we are indebted to China, indebted to Mexico, indebted to Japan and all the other creditors who will be knocking on our grandchildren's doors.

When you conduct two wars and don't pay for them, you make it even worse. But not to recognize those two deficits, the trade deficit as well as the budget deficit, is to live in a world of delusion.

In 2008, our largest trade deficit was in oil with countries in the Middle East, and the bottom line is that that trade advantages them, not us.

If you look at overall trade between the United States, Canada and Mexico, that's governed by NAFTA, the North American Free Trade Agreement. We are now at record imports from both countries, not exports, record imports, \$74.2 billion in the red with Canada last year and \$63.5 billion in the red with Mexico.

The same is true with Communist China, where we are in a \$266 billion deficit, a record high. Japan is no different, \$72.6 billion there.

The top trade gap we continue to face is imported oil. Overall, the U.S. imported 3.6 billion barrels of crude oil in 2008 worth \$342 billion, our chief strategic vulnerability.

Unemployment continues to rise nationally, over 7.2 percent, and in districts like mine and many counties over 12.5 percent. Dr. Peter Morici of the University of Maryland has written, "Lost growth is cumulative. Thanks to the record trade deficits accumulated over the last 10 years, the U.S. economy is about \$1.5 trillion smaller. This comes out to about \$10,000 per worker," and every American middle class family feels it.

How are we going to change this, Mr. President? America needs balanced trade accounts, not delusion. We need open markets, not closed markets. We need a rule of law, not undemocratic practices. We need realism, not delusion.